

SENATE BILL 375

By Swann

AN ACT to amend Tennessee Code Annotated, Title 49,  
Chapter 2 and Title 49, Chapter 3, relative to funds  
for noneducational purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 49, Chapter 2, Part 1, is amended by  
adding the following language as a new section:

(a) A local board of education may authorize a teacher, school employee, or  
other person employed by the LEA to raise funds for noneducational purposes.

(b) A local board of education that authorizes a teacher, school employee, or  
other person employed by the LEA to raise funds for noneducational purposes shall  
develop, adopt, and provide the LEA with policies and procedures for use of the funds,  
including policies and procedures for the receipt, disbursement, and accounting of all  
funds.

(c) The policy developed by a local board of education pursuant to this section  
must include sources from which an employee may derive noneducational purpose  
funds, which may include vending machine revenue, donations, or other sources as  
approved by the local board of education. The policy must also include guidelines for  
how funds for noneducational purposes must be used, which may include bereavement,  
award recognition, employee morale, or banquets.

(d) Any group of persons raising money for noneducational purposes pursuant to  
this section and the policies and procedures of a local board of education are not  
considered a "school support organization" as defined by § 49-2-603(4).

(e) All funds raised for noneducational purposes pursuant to this section are subject to audit by the comptroller of the treasury or the comptroller's designee.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.